



# STATE BOARD OF EQUALIZATION STAFF LEGISLATIVE BILL ANALYSIS

DRAFT

Date Introduced: **02/22/05**

Bill No: **SB 805**

Tax: **Property**

Author: **Machado**

Related Bills:

## BILL SUMMARY

This Board of Equalization sponsored bill removes the specific detail of the preliminary change of ownership report from statute and instead authorizes the Board to prescribe the form after consultation with the California Assessors' Association.

## ANALYSIS

### Current Law

Existing law requires a "Preliminary Change in Ownership Report" (PCOR) to be filed whenever any document affecting a change in ownership is recorded with the county recorder. Taxpayers, however, do not have to file the PCOR if they pay a \$20 fee. The form provides the assessor with the necessary information to determine if a change in ownership occurred, or if the transfer may be eligible for an exclusion from reassessment. It also provides information needed to value the property for tax purposes. If a taxpayer does not file a PCOR, the assessor may subsequently request that the taxpayer file a Change in Ownership Statement (COS) pursuant to Section 480.

Under current law, the form of the PCOR is detailed in the statute.

### Proposed Law

This bill would amend Revenue and Taxation Code Section 480.4 to delete the specific content of the PCOR from the statute and instead provide that the Board prescribe the form, after consultation with the California Assessors' Association, consistent with the provisions for most other Board-prescribed forms.

### Background

Government Code Section 15606, subdivision (d), provides that the Board of Equalization shall:

"Prescribe and enforce the use of all forms for the assessment of property for taxation, including forms to be used for the application for reduction in assessment.

In addition to Government Code Section 15606, the Legislature has enacted numerous statutes mandating forms for use in particular property tax programs and has specified that the Board shall prescribe the content of the forms after consultation with interested

*This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the Board's formal position.*

parties. Both the forms prescribed pursuant to Section 15606 and the forms prescribed pursuant to specific statutes are referred to as Board-prescribed forms. Each year, the Board staff reviews and approves all Board-prescribed forms that each county will use in the following year.

## COMMENTS

1. **Sponsor and Purpose.** The Board is sponsoring this bill so that modifications and improvements to the PCOR can be made without the necessity of seeking legislation.
2. **Consistent with the Change in Ownership Statement and other Board Prescribed Forms.** The COS is prescribed by the Board but its specific form is not detailed in statute (See Section 480(c)). In addition, the Board prescribes many forms for use for property tax purposes.

## COST ESTIMATE

This bill would not result in any additional costs.

## REVENUE ESTIMATE

This bill has no revenue impact.

---

Analysis prepared by:	Rose Marie Kinnee	916-445-6777	03/16/05
Contact:	Margaret S. Shedd	916-322-2376	

0805-1RK.doc

*This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the Board's formal position.*